

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

ELEANOR and ROCCO CIOFOLETTI, and
LARRY STOSPAL on behalf of themselves
and all others similarly situated,

Plaintiffs,

v.

SECURIAN FINANCIAL GROUP, INC.,
MINNESOTA LIFE INSURANCE
COMPANY, SECURIAN LIFE INSURANCE
COMPANY, SHURWEST LLC and
MINNESOTA MUTUAL COMPANIES, INC.,

Defendants.

Civil Action No.: 18-cv-03025-JNE-ECW

SHURWEST, LLC'S SUGGESTION OF BANKRUPTCY

PLEASE TAKE NOTICE that on August 31, 2021 Shurwest, LLC filed a petition for relief pursuant to Title 11 of the United States Code (the "Bankruptcy Code") in the United States District Court for the District of Arizona. A copy of that petition is attached hereto.

PLEASE TAKE FURTHER NOTICE that pursuant to section 362(a) of the Bankruptcy Code, the filing of the petition operates as an automatic stay of "the commencement or continuation, including issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title,

or to recover a claim against the debtor that arose before the commencement of the case under this title.”

/s/ Jason M. Hopkins

Brooke D. Anthony (#0387559)

Philip J. Kaplan (#0389351)

ANTHONY OSTLUND

BAER & LOUWAGIE P.A.

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and

Jason S. Lewis

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Jason M. Hopkins

(Texas No. 24059969 *pro hac vice*)

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Attorneys for Defendant Shurwest, LLC

CERTIFICATE OF SERVICE

I certify that I served the foregoing document on all counsel of record on August 31, 2021 via the Court’s CM/ECF system.

/s/ Jason M. Hopkins

Jason M. Hopkins

Fill in this information to identify your case:

United States Bankruptcy Court for the:

DISTRICT OF ARIZONA

Case number (if known)

Chapter

11☐ Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/20

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name **SHURWEST, LLC**

2. All other names debtor used in the last 8 years

FKA Shurwest, Inc.

Include any assumed names, trade names and *doing business as* names

3. Debtor's federal Employer Identification Number (EIN) **86-0707770**

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

**17550 N. Perimeter Drive
Suite 300
Scottsdale, AZ 85255**

Number, Street, City, State & ZIP Code

P.O. Box, Number, Street, City, State & ZIP Code

Maricopa

County

Location of principal assets, if different from principal place of business

Number, Street, City, State & ZIP Code

5. Debtor's website (URL) **Shurwest.com**

6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))☐ Partnership (excluding LLP)☐ Other. Specify: _____

Debtor **SHURWEST, LLC**
Name

Case number (if known)

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

B. Check all that apply

- ☐ Tax-exempt entity (as described in 26 U.S.C. §501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.

See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.5242**8. Under which chapter of the Bankruptcy Code is the debtor filing?**

Check one:

- ☐ Chapter 7
- ☐ Chapter 9

☒ Chapter 11. Check **all** that apply:

A debtor who is a "small business debtor" must check the first subbox. A debtor as defined in § 1182(1) who elects to proceed under subchapter V of chapter 11 (whether or not the debtor is a "small business debtor") must check the second sub-box.

- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D), and its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,725,625. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☒ The debtor is a debtor as defined in 11 U.S.C. § 1182(1), its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$7,500,000, **and it chooses to proceed under Subchapter V of Chapter 11**. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return, or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B)
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**

- ☒ No.
- ☐ Yes.

If more than 2 cases, attach a separate list.

District _____ When _____ Case number _____

District _____ When _____ Case number _____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- ☒ No
- ☐ Yes.

List all cases. If more than 1, attach a separate list

Debtor _____ Relationship _____

District _____ When _____ Case number, if known _____

Debtor **SHURWEST, LLC**
Name

Case number (if known)

11. Why is the case filed in this district?

Check all that apply:

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?☒ No☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.**Why does the property need immediate attention?** (Check all that apply.)☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

☐ It needs to be physically secured or protected from the weather.☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).☐ Other _____**Where is the property?** _____

Number, Street, City, State & ZIP Code

Is the property insured?☐ No☐ Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information**13. Debtor's estimation of available funds**

Check one:

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors☒ 1-49☐ 50-99☐ 100-199☐ 200-999☐ 1,000-5,000☐ 5001-10,000☐ 10,001-25,000☐ 25,001-50,000☐ 50,001-100,000☐ More than 100,000**15. Estimated Assets**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☒ \$1,000,001 - \$10 million☐ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion**16. Estimated liabilities**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☒ \$1,000,001 - \$10 million☐ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion

Debtor **SHURWEST, LLC**
Name

Case number (if known)

Request for Relief, Declaration, and Signatures**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on **August 31, 2021**
MM / DD / YYYY**X /s/ James Maschek**

Signature of authorized representative of debtor

James Maschek

Printed name

Title **President**

Email Address of debtor

18. Signature of attorney**X /s/ Isaac D. Rothschild**

Signature of attorney for debtor

Date **August 31, 2021**

MM / DD / YYYY

Isaac D. Rothschild 25726

Printed name

Mesch Clark Rothschild

Firm name

259 N. Meyer Ave.**Tucson, AZ 85701-1090**

Number, Street, City, State & ZIP Code

Contact phone **(520) 624-8886**Email address **ecfbk@mcrazlaw.com****25726 AZ**

Bar number and State

SHURWEST, LLC
An Arizona Limited Liability Company

RESOLUTIONS OF THE MEMBERS

The undersigned, being the Board of Shurwest, LLC take the following actions and adopt the following resolutions by written consent without a meeting:

Whereas, it is in the best interest of this corporation to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

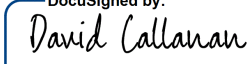
Be it therefore resolved that James Maschek, Manager of Shurwest, LLC, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a Chapter 11 voluntary bankruptcy case on behalf of the corporation.

Be it further resolved that James Maschek, Manager of Shurwest, is authorized and directed to appear in all bankruptcy proceedings on behalf of the corporation and to otherwise and perform all acts and deeds to execute and deliver all necessary documents on behalf of the corporation in connection with such bankruptcy case.

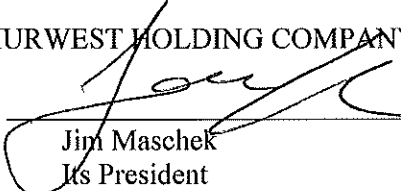
Be it further resolved that James Maschek, Manager of Shurwest, is authorized and directed to employ Michael McGrath and Isaac D. Rothschild, attorneys, and the law firm of Mesch Clark Rothschild to represent the corporation in such bankruptcy case.

IN WITNESS WHEREOF, the undersigned have executed this action by unanimous written consent of the Members of Shurwest, LLC, as of August 24, 2021. This consent may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute an instrument.

KT EQUITY PARTNERS III, LLC

DocuSigned by:

By 474B8D8AE5BB487
David Callahan
Its Manager

SHURWEST HOLDING COMPANY, INC.

By 
Jim Maschek
Its President

RLS CAPITAL HOLDINGS, LLLP

By 
Ron Shurts
Its General Partner

Shurwest, LLC

(Modified Accrual Basis)

Profit & Loss

(Not Audited - No Opinion Expressed)

January through June 2021

Jan - Jun 21

Ordinary Income/Expense	
Income	
Annuity Income	979,260
Life Income	382,766
Miscellaneous Income	90,124
Total Income	1,452,150
Gross Profit	1,452,150
Expense	
Agent & Advertising Expense	557,795
Computer, CRM & Related Expense	18,093
Leased Employee/Payroll Expense	67,860
Other Employee/Leased Employee Expense	1,428
Office Expense	5,623
Professional Fees	1,756,791
Rent Expense	5,272
Travel, Meals & Entertainment	1,689
Other Expenses	20,681
Total Expense	2,435,233
Net Ordinary Income	(983,083)
Other Income/Expense	
Other Income	-
Other Expense	257,552
Net Other Income	(257,552)
Net Income	(1,240,635)

Shurwest, LLC

(Modified Accrual Basis)

Balance Sheet

(Not Audited - No Opinion Expressed)

As of June 30, 2021

June 30, 2021

ASSETS**Current Assets**

Checking/Savings 88,553

Accounts Receivable 190,559

Other Current Assets 348,074

Total Current Assets 627,187**Fixed Assets**

Fixed Assets 1,992,653

Fixed Assets - A/D (1,528,953)

Total Fixed Assets 463,700**Other Assets 14,856,400****TOTAL ASSETS 15,947,287****LIABILITIES & EQUITY****Liabilities****Current Liabilities**

Accounts Payable 1,190,024

Credit Cards 21,955

Other Current Liabilities 2,328,466

Total Current Liabilities 3,540,445**Long Term Liabilities 27,121****Total Liabilities 3,567,566****Equity**

Dividends (1,717)

Paid in Capital 13,622,073

Net Income (1,240,635)

Total Equity 12,379,721**TOTAL LIABILITIES & EQUITY 15,947,287**

-

Shurwest, LLC	
Statement of Cash Flows	
January 1 through June 30,2021	Jan - Jun 21
OPERATING ACTIVITIES	
Net Income	(1,240,635)
Adjustments to reconcile Net Income to net cash provided by operations:	94,899
Net cash provided by Operating Activities	(1,145,736)
INVESTING ACTIVITIES	
Net cash provided by Investing Activities	127,419
FINANCING ACTIVITIES	
Net cash provided by Financing Activities	(10,849)
Net cash increase for period	(1,029,166)
Cash at beginning of period	1,117,719
Cash at end of period	88,553

Shurwest, LLC

(Modified Accrual Basis)

Profit & Loss

(Not Audited-No Opinion Expressed) January through December 2020

	Jan - Dec 20
Ordinary Income/Expense	
Income	
Annuity Income	2,773,059
Life Income	50,335
Miscellaneous Income	225,368
Total Income	3,048,762
Gross Profit	3,048,762
Expense	
Agent & Advertising Expense	1,155,225
Computer, CRM & Related Expense	49,855
Interest Expense	53,468
Leased Employee/Payroll Expense	126,863
Office Expense	11,142
Printing/Marketing	110,584
Professional Fees	3,269,154
Rent Expense	26,110
Travel, Meals & Entertainment	3,720
Other Expenses	32,493
Total Expense	4,838,614
Net Ordinary Income	(1,789,852)
Other Income/Expense	
Other Income	3,150,000
Other Expense	2,236,700
Net Other Income	913,300
Net Income	(876,553)

Shurwest, LLC

(Modified Accrual Basis)

Balance Sheet

(Not Audited-No Opinion Expressed)

As of December 31, 2020

Dec 31, 2020

ASSETS**Current Assets**

Checking/Savings	1,116,919
Accounts Receivable	145,061
Other Current Assets	318,518

Total Current Assets	1,580,498
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Fixed Assets

Fixed Assets	1,992,653
Fixed Assets - A/D	(1,401,534)

Total Fixed Assets	591,119
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Other Assets	14,856,400
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TOTAL ASSETS	17,028,017
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LIABILITIES & EQUITY**Liabilities****Current Liabilities**

Accounts Payable	909,608
Credit Cards	18,222
Other Current Liabilities	2,441,860

Total Current Liabilities	3,369,691
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Long Term Liabilities	37,970
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Total Liabilities	3,407,661
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Equity

Dividends	(1,717)
Paid in Capital	14,498,625
Net Income	(876,553)

Total Equity	13,620,356
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TOTAL LIABILITIES & EQUITY	17,028,017
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-

Shurwest, LLC

Statement of Cash Flows

January 1 through December 31, 2020

	<u>Jan - Dec 20</u>
OPERATING ACTIVITIES	
Net Income	(876,553)
Adjustments to reconcile Net Income	
to net cash provided by operations:	<u>1,304,665</u>
Net cash provided by Operating Activities	<u>428,113</u>
INVESTING ACTIVITIES	
Net cash provided by Investing Activities	<u>299,348</u>
FINANCING ACTIVITIES	
Net cash provided by Financing Activities	<u>(23,414)</u>
Net cash increase for period	<u>704,047</u>
Cash at beginning of period	<u>413,672</u>
Cash at end of period	<u><u>1,117,719</u></u>

Form 8879-PE Department of the Treasury Internal Revenue Service	IRS e-file Signature Authorization for Form 1065 ► ERO must obtain and retain completed Form 8879-PE. ► Go to www.irs.gov/Form8879PE for the latest information.	OMB No. 1545-0123 <div style="font-size: 2em; font-weight: bold;">2020</div>
For calendar year 2020, or tax year beginning , 2020, ending , 20		
Name of partnership SHURWEST LLC		Employer identification number 86-0707770

Part I	Tax Return Information (Whole dollars only)		
1	Gross receipts or sales less returns and allowances (Form 1065, line 1c)	1	3,047,905.
2	Gross profit (Form 1065, line 3)	2	3,047,905.
3	Ordinary business income (loss) (Form 1065, line 22)	3	767,858.
4	Net rental real estate income (loss) (Form 1065, Schedule K, line 2)	4	
5	Other net rental income (loss) (Form 1065, Schedule K, line 3c)	5	

Part II Declaration and Signature Authorization of Partner or Member
(Be sure to get a copy of the partnership's return.)

Under penalties of perjury, I declare that I am a partner or member of the above partnership and that I have examined a copy of the partnership's 2020 electronic return of partnership income and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the partnership's electronic return of partnership income. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the partnership's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission and (b) the reason for any delay in processing the return. I have selected a personal identification number (PIN) as my signature for the partnership's electronic return of partnership income.

Partner's or Member's PIN: check one box only

- ☒ I authorize EIDE BAILLY LLP to enter my PIN **Don't enter all zeros**
 as my signature on the partnership's 2020 electronically filed return of partnership income.
- ☐ As a partner or member of the partnership, I will enter my PIN as my signature on the partnership's 2020 electronically filed return of partnership income.

Partner's or member's signature ► _____
 Title ► MANAGING MEMBER Date ► _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. **Don't enter all zeros**

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed return of partnership income for the partnership indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ► _____ Date ► 03/30/21

ERO Must Retain This Form - See Instructions
Don't Submit This Form to the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.

Form **8879-PE** (2020)

LHA

Form 7004 (Rev. December 2018) Department of the Treasury Internal Revenue Service	Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns ▶ File a separate application for each return. ▶ Go to www.irs.gov/Form7004 for instructions and the latest information.	OMB No. 1545-0233
Print or Type	Name SHURWEST LLC Number, street, and room or suite no. (If P.O. box, see instructions.) 17550 N PERIMETER DR #300 City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).) SCOTTSDALE, AZ 85255	Identifying number 86-0707770

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns. See instructions.

1 Enter the form code for the return listed below that this application is for 09

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II All Filers Must Complete This Part

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here ☐
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here ☐
 If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.
- 4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here ☐
- 5a The application is for calendar year 2020, or tax year beginning _____, and ending _____
- b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions - attach explanation.)

6 Tentative total tax	6	0.
7 Total payments and credits. See instructions	7	
8 Balance due. Subtract line 7 from line 6. See instructions	8	

LHA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Form 7004 (Rev. 12-2018)

DEPARTMENT OF THE TREASURY
 INTERNAL REVENUE SERVICE CENTER
 OGDEN, UT 84201-0045

EXTENSION GRANTED TO 09/15/21

Form **1065****U.S. Return of Partnership Income**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue ServiceFor calendar year 2020, or tax year beginning _____, ending _____
▶ Go to www.irs.gov/Form1065 for instructions and the latest information.**2020**

A Principal business activity	Type or Print	Name of partnership SHURWEST LLC	D Employer identification number 86-0707770
INSURANCE		Number, street, and room or suite no. If a P.O. box, see instructions. 17550 N PERIMETER DR #300	E Date business started 04/30/1992
B Principal product or service		City or town, state or province, country, and ZIP or foreign postal code SCOTTSDALE AZ 85255	F Total assets \$17,028,014.
SALES			
C Business code number 524210			

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return

H Check accounting method: (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other (specify) ▶

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ **3**

J Check if Schedules C and M-3 are attached ▶ ☐

K Check if partnership: (1) ☐ Aggregated activities for section 465 at-risk purposes (2) ☐ Grouped activities for section 469 passive activity purposes

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See instructions for more information.

Income	1 a Gross receipts or sales	1a	3,047,905.	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a			1c 3,047,905.
	2 Cost of goods sold (attach Form 1125-A)			2
	3 Gross profit. Subtract line 2 from line 1c			3 3,047,905.
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)			4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			6
7 Other income (loss) (attach statement)		SEE STATEMENT 2	7 3,150,000.	
8 Total income (loss). Combine lines 3 through 7			8 6,197,905.	
Deductions (see instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9
	10 Guaranteed payments to partners			10
	11 Repairs and maintenance			11
	12 Bad debts			12 437.
	13 Rent			13 47,807.
	14 Taxes and licenses		SEE STATEMENT 3	14 7,018.
	15 Interest (see instructions)			15 53,468.
	16 a Depreciation (if required, attach Form 4562)	16a	12,673.	
	b Less depreciation reported on Form 1125-A and elsewhere on return	16b		16c 12,673.
	17 Depletion (Do not deduct oil and gas depletion.)			17
	18 Retirement plans, etc.			18
19 Employee benefit programs			19	
20 Other deductions (attach statement)		SEE STATEMENT 4	20 5,308,644.	
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20			21 5,430,047.	
22 Ordinary business income (loss). Subtract line 21 from line 8			22 767,858.	
Tax and Payments	23 Interest due under the look-back method-completed long-term contracts (attach Form 8697)			23
	24 Interest due under the look-back method-income forecast method (attach Form 8866)			24
	25 BBA AAR imputed underpayment (see instructions)			25
	26 Other taxes (see instructions)			26
	27 Total balance due. Add lines 23 through 26			27
	28 Payment (see instructions)			28
	29 Amount owed. If line 28 is smaller than line 27, enter amount owed			29
	30 Overpayment. If line 28 is larger than line 27, enter overpayment			30

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than partner or limited liability company member) is based on all information of which preparer has any knowledge.

Signature of partner or limited liability company member _____ Date _____

May the IRS discuss this return with the preparer shown below? See instr. ☒ **Yes** ☐ **No**

Paid Preparer Use Only	Print/Type preparer's name MACKENZIE J. RENTSCH	Preparer's signature MACKENZIE J. RENTSCH	Date 03/30/21	Check <input type="checkbox"/> if self-employed	PTIN P00739720
	Firm's name EIDE BAILLY LLP	Firm's EIN 45-0250958			
	Firm's address 2355 E CAMELBACK RD, STE 900 PHOENIX, AZ 85016-9065	Phone no. 480-315-1040			

Form 1065 (2020)

SHURWEST LLC

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Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:				Yes	No
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership				
c <input checked="" type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership				
e <input type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other ▶				
2 At the end of the tax year:					
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership				X	
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership					X
3 At the end of the tax year, did the partnership:					
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below					X
(i) Name of Corporation		(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock	
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below					X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital	
4 Does the partnership satisfy all four of the following conditions?				Yes	No
a The partnership's total receipts for the tax year were less than \$250,000.					
b The partnership's total assets at the end of the tax year were less than \$ 1 million.					
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.					
d The partnership is not filing and is not required to file Schedule M-3					X
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; item F on page 1 of Form 1065; or item L on Schedule K-1.					
5 Is this partnership a publicly traded partnership, as defined in section 469(k)(2)?					X
6 During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?					X
7 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?					X
8 At any time during calendar year 2020, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ▶					X
9 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions					X
10 a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.				X	
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions					X

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Form 1065 (2020)

Form 1065 (2020)

SHURWEST LLC

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Schedule B Other Information (continued)

	Yes	No
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
11 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year)		
12 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
13 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), enter the number of Forms 8858 attached. See instructions		
14 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership		X
15 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return		
16 a Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions	X	
b If "Yes," did you or will you file required Form(s) 1099?	X	
17 Enter the number of Forms 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return		
18 Enter the number of partners that are foreign governments under section 892		
19 During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		X
20 Was the partnership a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938		X
21 Is the partnership a section 721(c) partnership, as defined in Regulations section 1.721(c)-1(b)(14)?		X
22 During the tax year, did the partnership pay or accrue any interest or royalty for which one or more partners are not allowed a deduction under section 267A? See instructions If "Yes," enter the total amount of the disallowed deductions \$		X
23 Did the partnership have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		X
24 Does the partnership satisfy one or more of the following? See instructions a The partnership owns a pass-through entity with current, or prior year carryover, excess business interest expense. b The partnership's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the partnership has business interest. c The partnership is a tax shelter (see instructions) and the partnership has business interest expense. If "Yes" to any, complete and attach Form 8990.		X
25 Is the partnership electing out of the centralized partnership audit regime under section 6221(b)? See instructions If "Yes," the partnership must complete Schedule B-2 (Form 1065). Enter the total from Schedule B-2, Part III, line 3 If "No," complete Designation of Partnership Representative below.		X

Designation of Partnership Representative (see instructions)

Enter below the information for the partnership representative (PR) for the tax year covered by this return.

Name of PR ► SHURWEST HOLDING COMPANY, INC.

U.S. address of PR ► 17550 N. PERIMETER DRIVE, STE. 30
SCOTTSDALE, AZ 85255

U.S. phone number of PR ► 800-440-1088

If the PR is an entity, name of the designated individual for the PR ► JIM MASCHKE

U.S. address of designated individual ► 17550 N. PERIMETER DRIVE, SUITE 300
SCOTTSDALE, AZ 85255

U.S. phone number of designated individual ► 800-440-1088

26 Is the partnership attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 16 \$		X
27 Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership		
28 At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		X
29 Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties constituting a trade or business of your partnership, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the partners held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions.		
Percentage: By Vote By Value		X

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	767,858.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments: a Services 4a b Capital 4b		
	c Total. Add lines 4a and 4b	4c	
	5 Interest income SEE STATEMENT 5	5	857.
	6 Dividends and dividend equivalents: a Ordinary dividends	6a	
	b Qualified dividends 6b c Dividend equivalents 6c		
	7 Royalties	7	
8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8		
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10		
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13a Contributions SEE STATEMENT 6	13a	325.
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)	
d Other deductions (see instructions) Type ▶	13d	793,024.	
Self-Employment	14a Net earnings (loss) from self-employment	14a	395,447.
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	3,191,921.
Credits	15a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	15c	
	d Other rental real estate credits (see instructions) Type ▶	15d	
	e Other rental credits (see instructions) Type ▶	15e	
	f Other credits (see instructions) Type ▶	15f	
Foreign Transactions	16a Name of country or U.S. possession ▶		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level	16c	
	Foreign gross income sourced at partnership level		
	d Reserved for future use ▶ e Foreign branch category ▶	16e	
	f Passive category ▶ g General category ▶ h Other ▶	16h	
	Deductions allocated and apportioned at partner level		
	i Interest expense ▶ j Other ▶	16j	
	Deductions allocated and apportioned at partnership level to foreign source income		
	k Reserved for future use ▶ l Foreign branch category ▶	16l	
	m Passive category ▶ n General category ▶ o Other ▶	16o	
	p Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16p	
	q Reduction in taxes available for credit (attach statement)	16q	
r Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties - gross income	17d	
	e Oil, gas, and geothermal properties - deductions	17e	
	f Other AMT items (attach statement)	17f	
Other Information	18a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses SEE STATEMENT 8	18c	1,748.
	19a Distributions of cash and marketable securities	19a	1,717.
	b Distributions of other property	19b	
	20a Investment income	20a	857.
b Investment expenses	20b		
c Other items and amounts (attach statement) STMT 9			

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16p						1	-24,634.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other	
a General partners							
b Limited partners	372,669.			-397,303.			

Schedule L Balance Sheets per Books

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash		413,671.		1,116,917.
2a Trade notes and accounts receivable	28,819.		145,061.	
b Less allowance for bad debts		28,819.		145,061.
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach statement)	STATEMENT 10	328,036.		318,517.
7a Loans to partners (or persons related to partners)				
b Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets	1,992,653.		1,992,653.	
b Less accumulated depreciation	1,102,186.	890,467.	1,401,534.	591,119.
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)	14,829,750.		14,829,750.	
b Less accumulated amortization		14,829,750.		14,829,750.
13 Other assets (attach statement)	STATEMENT 11	26,650.		26,650.
14 Total assets		16,517,393.		17,028,014.
Liabilities and Capital				
15 Accounts payable		192,176.		909,608.
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)	STATEMENT 12	1,176,593.		2,498,052.
18 All nonrecourse loans				
19a Loans from partners (or persons related to partners)		650,000.		
b Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)				
21 Partners' capital accounts		14,498,624.		13,620,354.
22 Total liabilities and capital		16,517,393.		17,028,014.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The partnership may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books	-876,553.	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16p, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16p (itemize):		a Depreciation \$	
STMT 13 1,378,218.		STMT 14 814,721.	814,721.
a Depreciation \$ 286,675.		8 Add lines 6 and 7	814,721.
b Travel and entertainment \$ 1,748.	1,666,641.	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	-24,634.
5 Add lines 1 through 4	790,088.		

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	14,498,624.	6 Distributions: a Cash	1,717.
2 Capital contributed: a Cash		b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	766,642.	STMT 15	14,683,232.
4 Other increases (itemize):		8 Add lines 6 and 7	14,684,949.
5 Add lines 1 through 4	15,265,266.	9 Balance at end of year. Subtract line 8 from line 5	580,317.

**SCHEDULE B-1
(Form 1065)**(Rev. August 2019)
Department of the Treasury
Internal Revenue Service**Information on Partners Owning 50% or
More of the Partnership**

▶ Attach to Form 1065.

▶ Go to www.irs.gov/Form1065 for the latest information.

OMB No. 1545-0123

Name of partnership

Employer identification number

SHURWEST LLC

86-0707770

Part I Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2a (Question 3a for 2009 through 2017))

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital
SHURWEST HOLDING COMPANY, INC.		CORPORATION	UNITED STATES	64.67
RLS CAPITAL HOLDINGS LLLP		LLP	UNITED STATES	64.67

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2b (Question 3b for 2009 through 2017))

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

Schedule B-1 (Form 1065) (Rev. 8-2019)

SCHEDULE M-3
(Form 1065)Department of the Treasury
Internal Revenue Service**Net Income (Loss) Reconciliation
for Certain Partnerships**

▶ Attach to Form 1065.
▶ Go to www.irs.gov/Form1065 for instructions and the latest information.

OMB No. 1545-0123

2020

Name of partnership

SHURWEST LLC

Employer identification number

86-0707770**This Schedule M-3 is being filed because (check all that apply):**

- A** ☒ The amount of the partnership's total assets at the end of the tax year is equal to \$10 million or more.
- B** ☒ The amount of the partnership's adjusted total assets for the tax year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year **31,712,963.**
- C** ☐ The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year _____.
- D** ☒ An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50% or more in the partnership's capital, profit, or loss on any day during the tax year of the partnership.

Name of Reportable Entity Partner	Identifying Number	Maximum Percentage Owned or Deemed Owned
SHURWEST HOLDING COMPANY, INC	12	64.6700%
RLS CAPITAL HOLDINGS LLLP	913	64.6700%

E ☐ Voluntary filer.**Part I Financial Information and Net Income (Loss) Reconciliation**

- 1a** Did the partnership file SEC Form 10-K for its income statement period ending with or within this tax year?
☐ Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.
☒ No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.
- b** Did the partnership prepare a certified audited non-tax-basis income statement for that period?
☐ Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.
☒ No. Go to line 1c.
- c** Did the partnership prepare a non-tax-basis income statement for that period?
☒ Yes. Complete lines 2 through 11 with respect to that income statement.
☐ No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records on line 4a.
- 2** Enter the income statement period: Beginning **01/01/2020** Ending **12/31/2020**
- 3a** Has the partnership's income statement been restated for the income statement period on line 2?
☐ Yes. (If "Yes," attach a statement and the amount of each item restated.)
☒ No.
- b** Has the partnership's income statement been restated for any of the 5 income statement periods immediately preceding the period on line 2?
☐ Yes. (If "Yes," attach a statement and the amount of each item restated.)
☒ No.

4a Worldwide consolidated net income (loss) from income statement source identified on Part I, line 1	4a	-876,553.
b Indicate accounting standard used for line 4a. See instructions. 1 <input type="checkbox"/> GAAP 2 <input type="checkbox"/> IFRS 3 <input type="checkbox"/> Section 704(b) 4 <input type="checkbox"/> Tax-basis 5 <input checked="" type="checkbox"/> Other (specify) ▶ BOOKS & RECORDS		
5a Net income from nonincludible foreign entities (attach statement)	5a	()
b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	
6a Net income from nonincludible U.S. entities (attach statement)	6a	()
b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	
7a Net income (loss) of other foreign disregarded entities (attach statement)	7a	
b Net income (loss) of other U.S. disregarded entities (attach statement)	7b	
8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach stmt.)	8	
9 Adjustment to reconcile income statement period to tax year (attach statement)	9	
10 Other adjustments to reconcile to amount on line 11 (attach statement)	10	
11 Net income (loss) per income statement of the partnership. Combine lines 4a through 10	11	-876,553.

Note: Part I, line 11, must equal Part II, line 26, column (a); or Form 1065, Schedule M-1, line 1. See instructions.**12** Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or removed on the following lines.

	Total Assets	Total Liabilities
a Included on Part I, line 4	17,028,014.	3,407,660.
b Removed on Part I, line 5		
c Removed on Part I, line 6		
d Included on Part I, line 7		

For Paperwork Reduction Act Notice, see the instructions for your return.

Schedule M-3 (Form 1065) 2020

Form 4562 Department of the Treasury Internal Revenue Service (99) Name(s) shown on return	Depreciation and Amortization (Including Information on Listed Property) OTHER 1 ▶ Attach to your tax return. ▶ Go to www.irs.gov/Form4562 for instructions and the latest information.	OMB No. 1545-0172 2020 Attachment Sequence No. 179 Identifying number 86-0707770
SHURWEST LLC		

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.		
1 Maximum amount (see instructions)	1	1,040,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	2,590,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2019 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13 Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)		
14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)		
Section A		
17 MACRS deductions for assets placed in service in tax years beginning before 2020	17	12,673.
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2020 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2020 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year	/		30 yrs.	MM	S/L	
d 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)		
21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	12,673.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form 4562 (2020)

SHURWEST LLC

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Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)****24a** Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use **25****26** Property used more than 50% in a qualified business use:

	:	:	%					
	:	:	%					
	:	:	%					

27 Property used 50% or less in a qualified business use:

	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 **28****29** Add amounts in column (i), line 26. Enter here and on line 7, page 1 **29****Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle
30 Total business/investment miles driven during the year (don't include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
-----------------------------	------------------------------------	------------------------------	------------------------	---	--------------------------------------

42 Amortization of costs that begins during your 2020 tax year:

	:	:			
	:	:			

43 Amortization of costs that began before your 2020 tax year **43** 793,024.**44** **Total.** Add amounts in column (f). See the instructions for where to report **44** 793,024.

016252 12-18-20

Form 4562 (2020)

Worksheet for Figuring Net Earnings (Loss) From Self-Employment

Name of partnership SHURWEST LLC		Employer identification number 86-0707770	
1 a Ordinary income (loss) (Schedule K, line 1)	1a	767,858.	
b Net income (loss) from CERTAIN rental real estate activities	1b		
c Net income (loss) from other rental activities (Schedule K, line 3c)	1c		
d Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	1d		
e Other additions	1e		
f Combine lines 1a through 1e	1f	767,858.	
2 a Net gain from Form 4797, Part II, line 17, included on line 1a above	2a		
b Other subtractions	2b		
c Add lines 2a and 2b	2c		
3 a Subtract line 2c from line 1f. If line 1f is a loss, increase the loss on line 1f by the amount on line 2c	3a	767,858.	
b Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	3b	372,411.	
c Subtract line 3b from line 3a			3c 395,447.
4 a Guaranteed payments to partners (Schedule K, line 4a) derived from a trade or business as defined in section 1402(c)	4a		
b Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	4b		
c Subtract line 4b from line 4a			4c
5 Net earnings (loss) from self-employment. Combine lines 3c and 4c. Enter here and on Schedule K, line 14a	5		395,447.

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

Shurwest LLC
17550 N Perimeter Dr #300
Scottsdale, AZ 85255

Employer Identification Number: 86-0707770

For the Year Ending December 31, 2020

Shurwest LLC is making the de minimis safe harbor election under Reg. Sec. 1.263(a)-1(f).

CLIENT COPY

SHURWEST LLC

86-0707770

FOOTNOTES

STATEMENT 1

SCHEDULE M-2 TAX CAPITAL 1/1/2020	-184,608.
SCHEDULE M-2 TAX CAPITAL 12/31/2020	580,317.

FORM 1065

OTHER INCOME

STATEMENT 2

DESCRIPTION

AMOUNT

OTHER INCOME

3,150,000.

TOTAL TO FORM 1065, LINE 7

3,150,000.

FORM 1065

TAX EXPENSE

STATEMENT 3

DESCRIPTION

AMOUNT

CALIFORNIA TAXES - BASED ON INCOME

3,569.

LICENSE & PERMITS

2,275.

TEXAS TAXES - BASED ON INCOME

1,174.

TOTAL TO FORM 1065, LINE 14

7,018.

SHURWEST LLC

86-0707770

FORM 1065

OTHER DEDUCTIONS

STATEMENT 4

DESCRIPTION	AMOUNT
ADVERTISING	135,675.
AGENT EXPENSES	1,120,596.
AMORT. EXP. ON SCH K LINE 13V	-793,024.
AMORTIZATION EXPENSE	793,024.
BANK FEES	925.
COMMUNICATIONS EXPENSE	6,617.
COMPUTER & EQUIPMENT	7,804.
CRM	42,051.
DUES & SUBSCRIPTIONS	8,886.
INSURANCE	4,273.
LEASED EMPLOYEES	123,201.
LEGAL & OTHER PROFESSIONAL FEES	3,269,154.
MANAGEMENT FEES	3,017.
MEALS	1,748.
OFFICE EXPENSES	11,142.
POSTAGE & DELIVERY	5,738.
PRINTING & REPRODUCTION	1,810.
PROVISION FOR ADVISOR ROLLUPS	554,392.
RECRUITING & TRAINING	11,390.
TRAVEL	225.
TOTAL TO FORM 1065, LINE 20	5,308,644.

SCHEDULE K

INTEREST INCOME

STATEMENT 5

DESCRIPTION	U.S. BONDS	OTHER
INTEREST INCOME		857.
TOTAL TO SCHEDULE K, LINE 5		857.

SCHEDULE K

CHARITABLE CONTRIBUTIONS

STATEMENT 6

DESCRIPTION	TYPE	AMOUNT
CHARITABLE CONTRIBUTIONS	CASH (60%)	325.
TOTALS TO SCHEDULE K, LINE 13A		325.

SHURWEST LLC

86-0707770

SCHEDULE K	OTHER DEDUCTIONS	STATEMENT 7
DESCRIPTION		AMOUNT
SECTION 743(B) NEGATIVE ADJUSTMENTS		793,024.
TOTAL INCLUDED IN SCHEDULE K, LINE 13D		793,024.

SCHEDULE K	NONDEDUCTIBLE EXPENSE	STATEMENT 8
DESCRIPTION		AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES		1,748.
TOTAL TO SCHEDULE K, LINE 18C		1,748.

SCHEDULE K	OTHER ITEMS	STATEMENT 9
DESCRIPTION		AMOUNT
SECTION 199A - ORDINARY INCOME (LOSS)		767,858.
SECTION 199A UNADJUSTED BASIS OF ASSETS		1,950,193.
BUSINESS INTEREST EXPENSE		53,468.

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 10
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
ANNUITY INCOME RECEIVABLE	84,513.	41,685.
DUE FROM EMPLOYEES	11,768.	21,804.
DUE FROM RELATED PARTIES	13,289.	20,738.
LIFE INSURANCE INCOME RECEIVABLE	7,156.	168.
OTHER RECEIVABLES	91,423.	134,245.
PARETO RECEIVABLE	100,000.	0.
PREPAID EXPENSES	19,887.	99,077.
UNDEPOSITED FUNDS	0.	800.
TOTAL TO SCHEDULE L, LINE 6	328,036.	318,517.

SHURWEST LLC

86-0707770

SCHEDULE L	OTHER ASSETS	STATEMENT 11
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
SECURITY DEPOSITS	26,650.	26,650.
TOTAL TO SCHEDULE L, LINE 13	26,650.	26,650.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 12
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED EXPENSES	48,951.	18,222.
ACCRUED INTEREST	699.	0.
ACCRUED RENT	59,667.	37,970.
PROVISION FOR ADVISOR ROLL UPS	1,063,630.	2,441,848.
SALES TAX PAYABLE	9.	12.
STATE TAX PAYABLE	3,637.	0.
TOTAL TO SCHEDULE L, LINE 17	1,176,593.	2,498,052.

SCHEDULE M-1	EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN RETURN	STATEMENT 13
DESCRIPTION	AMOUNT	
PROVISION FOR ADVISOR ROLLUPS	1,378,218.	
TOTAL TO SCHEDULE M-1, LINE 4	1,378,218.	

SCHEDULE M-1	DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOKS	STATEMENT 14
DESCRIPTION		AMOUNT
RENT EXPENSE		21,697.
AMORTIZATION		793,024.
TOTAL TO SCHEDULE M-1, LINE 7		814,721.

SHURWEST LLC

86-0707770

SCHEDULE M-2	OTHER DECREASES	STATEMENT 15
DESCRIPTION		AMOUNT
CONVERSION TO TAX CAPITAL FOR KT EQUITY PARTNERS III, LLC		3,698,764.
CONVERSION TO TAX CAPITAL FOR SHURWEST HOLDING COMPANY INC		7,119,905.
CONVERSION TO TAX CAPITAL FOR RLS CAPITAL HOLDINGS LLLP		3,864,563.
TOTAL TO SCHEDULE M-2, LINE 7		14,683,232.

SCHEDULES M-2/L	RECONCILIATION OF SCHEDULE M-2 AND SCHEDULE L	STATEMENT 16
DESCRIPTION	BALANCE AT BEGINNING OF THE YEAR	BALANCE AT END OF YEAR
SCHEDULE M-2 BALANCES	14,498,624.	580,317.
CONVERSION TO TAX CAPITAL		14,683,232.
ACCUMULATED DEPRECIATION		-286,675.
ACCRUED EXPENSES		-1,356,520.
TOTAL RECONCILED SCHEDULE M-2 BALANCES	14,498,624.	13,620,354.
SCHEDULE L, LINE 21, PARTNERS' CAPITAL ACCOUNTS	14,498,624.	13,620,354.

651119

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service**2020**

For calendar year 2020, or tax year

beginning

ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number

86-0707770

B Partnership's name, address, city, state, and ZIP codeSHURWEST LLC
17550 N PERIMETER DR #300
SCOTTSDALE, AZ 85255**C** IRS Center where partnership filed return ▶

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner****E** Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)**F** Name, address, city, state, and ZIP code for partner entered in E. See instructions.KT EQUITY PARTNERS III, LLC
2950 SW MCCLURE ROAD
TOPEKA, KS 66614**G** ☐ General partner or LLC member-manager☒ Limited partner or other LLC member**H1** ☒ Domestic partner☐ Foreign partner**H2** ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN _____ Name _____

I1 What type of entity is this partner? **PARTNERSHIP****I2** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐**J** Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	25.0000000 %	25.0000000 %
Loss	25.0000000 %	25.0000000 %
Capital	24.1913405 %	24.1913405 %

Check if decrease is due to sale or exchange of partnership interest ☐**K** Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 60,284.	\$ 231,961.
Qualified nonrecourse financing	\$	\$
Recourse	\$ 0.	\$ 0.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.**L Partner's Capital Account Analysis****SEE STATEMENT**

Beginning capital account	\$ 3,492,448.
Capital contributed during the year	\$
Current year net income (loss)	\$ 191,661.
Other increase (decrease) (attach explanation)	\$ -3,698,764.
Withdrawals & distributions	\$ (429.)
Ending capital account	\$ -15,084.

M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No If "Yes," attach statement. See instructions.**N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**

Beginning	\$
Ending	\$

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss)	15 Credits
191,965.	
2 Net rental real estate income (loss)	16 Foreign transactions
3 Other net rental income (loss)	
4a Guaranteed payments for services	
4b Guaranteed payments for capital	
4c Total guaranteed payments	
5 Interest income	17 Alternative min tax (AMT) items
214.	
6a Ordinary dividends	18 Tax-exempt income and nondeductible expenses
6b Qualified dividends	C* 437.
6c Dividend equivalents	
7 Royalties	19 Distributions
	A 429.
8 Net short-term capital gain (loss)	20 Other information
9a Net long-term capital gain (loss)	A 214.
	N * 13,367.
9b Collectibles (28%) gain (loss)	Z * STMT
	AH * STMT
9c Unrecaptured section 1250 gain	
10 Net section 1231 gain (loss)	
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
A 81.	
V 276,000.	
14 Self-employment earnings (loss)	
A 191,965.	
C 1,549,476.	
21 <input type="checkbox"/> More than one activity for at-risk purposes*	
22 <input type="checkbox"/> More than one activity for passive activity purposes*	
*See attached statement for additional information.	

For IRS Use Only

SHURWEST LLC

86-0707770

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	437.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		437.

SCHEDULE K-1 BUSINESS INTEREST EXPENSE, BOX 20, CODE N

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
BUSINESS INTEREST EXPENSE (INCLUDED IN ORDINARY BUSINESS INCOME (LOSS))	SEE PARTNERS INSTRUCTIONS	13,367.
TOTAL TO SCHEDULE K-1, BOX 20, CODE N		13,367.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
TRADE OR BUSINESS -	
ORDINARY INCOME (LOSS)	191,965.
SELF-EMPLOYMENT EARNINGS (LOSS)	191,965.
UNADJUSTED BASIS OF ASSETS	487,548.

SHURWEST LLC

86-0707770

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 OTHER INFORMATION, BOX 20, CODE AH

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
TAX CAPITAL 1/1/20		-206,316.
TAX CAPITAL 12/31/20		-15,084.

SCHEDULE K-1 CURRENT YEAR NET INCOME (LOSS) AND
OTHER INCREASES (DECREASES)

DESCRIPTION	AMOUNT	TOTALS
ORDINARY INCOME (LOSS)	191,965.	
INTEREST INCOME	214.	
SCHEDULE K-1 INCOME SUBTOTAL		192,179.
CHARITABLE CONTRIBUTIONS	-81.	
NONDEDUCTIBLE EXPENSES	-437.	
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-518.
NET INCOME (LOSS) PER SCHEDULE K-1		191,661.
CONVERSION TO TAX CAPITAL FOR KT EQUITY PARTNERS III, LLC		-3,698,764.
TOTAL OTHER INCREASES OR DECREASES		-3,698,764.

SCHEDULE K-1 ITEM L. PARTNER'S CAPITAL ACCOUNT ANALYSIS

BEGINNING CAPITAL ACCOUNT METHOD USED - TAX BASIS

SHURWEST LLC

86-0707770

SCHEDULE K-1

FOOTNOTES

NOTE: YOUR INCOME/(LOSS) MAY BE SUBJECT TO NET INVESTMENT INCOME TAX. PLEASE CONSULT YOUR TAX ADVISOR.

ELECTRONIC INSTRUCTIONS FOR SCHEDULE K-1 HAVE BEEN PROVIDED AT [HTTPS://WWW.EIDEBAILLY.COM/SERVICES/TAX#TOOLS](https://www.eidebailly.com/services/tax#tools)

THE FOLLOWING INFORMATION IS BEING PROVIDED TO ASSIST WITH THE CALCULATION OF THE INTEREST EXPENSE LIMITATION UNDER IRS CODE SECTION 163(J), IF APPLICABLE. PLEASE CONSULT YOUR TAX ADVISOR.

PARTNER'S SHARE OF ADJUSTED TAXABLE INCOME	208,419.
PARTNER'S SHARE OF BUSINESS INTEREST INCOME	214.

TOTAL ANNUAL GROSS RECEIPTS OF PARTNERSHIP:

2017	1,689,132.
2018	21,112,358.
2019	7,499,558.

A PARTNER'S PERCENTAGE INTEREST IN THE TOTAL GROSS RECEIPTS CAN BE DETERMINED BY REFERRING TO ITEM J OF THE PARTNER'S SCHEDULE K-1 FOR EACH APPLICABLE YEAR.

SECTION 743 REMAINING UNAMORTIZED BASIS	2,593,756.
---	------------

651119

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service**2020**

For calendar year 2020, or tax year

beginning

ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number

86-0707770

B Partnership's name, address, city, state, and ZIP codeSHURWEST LLC
17550 N PERIMETER DR #300
SCOTTSDALE, AZ 85255**C** IRS Center where partnership filed return ▶

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner****E** Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)**F** Name, address, city, state, and ZIP code for partner entered in E. See instructions.SHURWEST HOLDING COMPANY, INC.
17550 N. PERIMETER DRIVE, STE. 300
SCOTTSDALE, AZ 85255**G** ☐ General partner or LLC member-manager☒ Limited partner or other LLC member**H1** ☒ Domestic partner☐ Foreign partner**H2** ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN _____ Name _____

I1 What type of entity is this partner? CORPORATION**I2** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐**J** Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	48.5000000 %	48.5000000 %
Loss	48.5000000 %	48.5000000 %
Capital	48.4946453 %	48.4946453 %

Check if decrease is due to sale or exchange of partnership interest ☐**K** Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 116,951.	\$ 450,004.
Qualified nonrecourse financing	\$	\$
Recourse	\$ 0.	\$ 0.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.**L Partner's Capital Account Analysis****SEE STATEMENT**

Beginning capital account	\$ 7,030,112.
Capital contributed during the year	\$
Current year net income (loss)	\$ 371,821.
Other increase (decrease) (attach explanation)	\$ -7,119,905.
Withdrawals & distributions	\$ (833.)
Ending capital account	\$ 281,195.

M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No If "Yes," attach statement. See instructions.**N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**

Beginning	\$
Ending	\$

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss)	15 Credits
372,411.	
2 Net rental real estate income (loss)	16 Foreign transactions
3 Other net rental income (loss)	
4a Guaranteed payments for services	
4b Guaranteed payments for capital	
4c Total guaranteed payments	
5 Interest income	17 Alternative min tax (AMT) items
416.	
6a Ordinary dividends	18 Tax-exempt income and nondeductible expenses
6b Qualified dividends	C* 848.
6c Dividend equivalents	
7 Royalties	19 Distributions
	A 833.
8 Net short-term capital gain (loss)	20 Other information
9a Net long-term capital gain (loss)	A 416.
	N * 25,932.
9b Collectibles (28%) gain (loss)	Z * STMT
	AH * STMT
9c Unrecaptured section 1250 gain	
10 Net section 1231 gain (loss)	
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
A 158.	
14 Self-employment earnings (loss)	
21 <input type="checkbox"/> More than one activity for at-risk purposes*	
22 <input type="checkbox"/> More than one activity for passive activity purposes*	

*See attached statement for additional information.

For IRS Use Only

SHURWEST LLC

86-0707770

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	848.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		848.

SCHEDULE K-1 BUSINESS INTEREST EXPENSE, BOX 20, CODE N

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
BUSINESS INTEREST EXPENSE (INCLUDED IN ORDINARY BUSINESS INCOME (LOSS))	SEE PARTNERS INSTRUCTIONS	25,932.
TOTAL TO SCHEDULE K-1, BOX 20, CODE N		25,932.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
TRADE OR BUSINESS -	
ORDINARY INCOME (LOSS)	372,411.
UNADJUSTED BASIS OF ASSETS	945,844.

SHURWEST LLC

86-0707770

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 OTHER INFORMATION, BOX 20, CODE AH

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
TAX CAPITAL 1/1/20		-89,793.
TAX CAPITAL 12/31/20		281,195.

SCHEDULE K-1 CURRENT YEAR NET INCOME (LOSS) AND
OTHER INCREASES (DECREASES)

DESCRIPTION	AMOUNT	TOTALS
ORDINARY INCOME (LOSS)	372,411.	
INTEREST INCOME	416.	
SCHEDULE K-1 INCOME SUBTOTAL		372,827.
CHARITABLE CONTRIBUTIONS	-158.	
NONDEDUCTIBLE EXPENSES	-848.	
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-1,006.
NET INCOME (LOSS) PER SCHEDULE K-1		371,821.
CONVERSION TO TAX CAPITAL FOR SHURWEST HOLDING COMPANY INC		-7,119,905.
TOTAL OTHER INCREASES OR DECREASES		-7,119,905.

SCHEDULE K-1 ITEM L. PARTNER'S CAPITAL ACCOUNT ANALYSIS

BEGINNING CAPITAL ACCOUNT METHOD USED - TAX BASIS

SHURWEST LLC

86-0707770

SCHEDULE K-1

FOOTNOTES

NOTE: YOUR INCOME/(LOSS) MAY BE SUBJECT TO NET INVESTMENT INCOME TAX. PLEASE CONSULT YOUR TAX ADVISOR.

ELECTRONIC INSTRUCTIONS FOR SCHEDULE K-1 HAVE BEEN PROVIDED AT [HTTPS://WWW.EIDEBAILLY.COM/SERVICES/TAX#TOOLS](https://www.eidebailly.com/services/tax#tools)

THE FOLLOWING INFORMATION IS BEING PROVIDED TO ASSIST WITH THE CALCULATION OF THE INTEREST EXPENSE LIMITATION UNDER IRS CODE SECTION 163(J), IF APPLICABLE. PLEASE CONSULT YOUR TAX ADVISOR.

PARTNER'S SHARE OF ADJUSTED TAXABLE INCOME	404,331.
PARTNER'S SHARE OF BUSINESS INTEREST INCOME	416.

TOTAL ANNUAL GROSS RECEIPTS OF PARTNERSHIP:

2017	1,689,132.
2018	21,112,358.
2019	7,499,558.

A PARTNER'S PERCENTAGE INTEREST IN THE TOTAL GROSS RECEIPTS CAN BE DETERMINED BY REFERRING TO ITEM J OF THE PARTNER'S SCHEDULE K-1 FOR EACH APPLICABLE YEAR.

651119

**Schedule K-1
(Form 1065)**

Department of the Treasury
Internal Revenue Service

2020

For calendar year 2020, or tax year

beginning ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number

86-0707770

B Partnership's name, address, city, state, and ZIP code

SHURWEST LLC
17550 N PERIMETER DR #300
SCOTTSDALE, AZ 85255

C IRS Center where partnership filed return ▶

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.

RLS CAPITAL HOLDINGS LLLP
16767 N. PERIMETER DRIVE, STE. 320
SCOTTSDALE, AZ 85260

G ☐ General partner or LLC member-manager

☒ Limited partner or other LLC member

H1 ☒ Domestic partner

☐ Foreign partner

H2 ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN _____ Name _____

I1 What type of entity is this partner? **PARTNERSHIP**

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

J Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	26.5000000 %	26.5000000 %
Loss	26.5000000 %	26.5000000 %
Capital	27.3140142 %	27.3140142 %

Check if decrease is due to sale or exchange of partnership interest ☐

K Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 63,901.	\$ 245,878.
Qualified nonrecourse financing	\$	\$
Recourse	\$ 650,699.	\$ 0.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.

L Partner's Capital Account Analysis

SEE STATEMENT

Beginning capital account	\$ 3,976,064.
Capital contributed during the year	\$
Current year net income (loss)	\$ 203,160.
Other increase (decrease) (attach explanation)	\$ -3,864,563.
Withdrawals & distributions	\$ (455.)
Ending capital account	\$ 314,206.

M Did the partner contribute property with a built-in gain or loss?

☐ Yes ☒ No If "Yes," attach statement. See instructions.

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)

Beginning	\$
Ending	\$

☐ Final K-1

☐ Amended K-1

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss)	203,482.	15 Credits	
2 Net rental real estate income (loss)		16 Foreign transactions	
3 Other net rental income (loss)			
4a Guaranteed payments for services			
4b Guaranteed payments for capital			
4c Total guaranteed payments			
5 Interest income	227.	17 Alternative min tax (AMT) items	
6a Ordinary dividends		18 Tax-exempt income and nondeductible expenses	
6b Qualified dividends		C*	463.
6c Dividend equivalents			
7 Royalties		19 Distributions	
8 Net short-term capital gain (loss)		A	455.
9a Net long-term capital gain (loss)		20 Other information	
9b Collectibles (28%) gain (loss)		A	227.
9c Unrecaptured section 1250 gain		N *	14,169.
10 Net section 1231 gain (loss)		Z *	STMT
11 Other income (loss)		AH *	STMT
12 Section 179 deduction			
13 Other deductions			
A	86.		
V	517,024.		
14 Self-employment earnings (loss)			
A	203,482.		
C	1,642,445.		

21 ☐ More than one activity for at-risk purposes*

22 ☐ More than one activity for passive activity purposes*

*See attached statement for additional information.

For IRS Use Only

SHURWEST LLC

86-0707770

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	463.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		463.

SCHEDULE K-1 BUSINESS INTEREST EXPENSE, BOX 20, CODE N

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
BUSINESS INTEREST EXPENSE (INCLUDED IN ORDINARY BUSINESS INCOME (LOSS))	SEE PARTNERS INSTRUCTIONS	14,169.
TOTAL TO SCHEDULE K-1, BOX 20, CODE N		14,169.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
TRADE OR BUSINESS -	
ORDINARY INCOME (LOSS)	203,482.
SELF-EMPLOYMENT EARNINGS (LOSS)	203,482.
UNADJUSTED BASIS OF ASSETS	516,801.

SHURWEST LLC

86-0707770

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 OTHER INFORMATION, BOX 20, CODE AH

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
TAX CAPITAL 1/1/20		111,501.
TAX CAPITAL 12/31/20		314,206.

SCHEDULE K-1 CURRENT YEAR NET INCOME (LOSS) AND
OTHER INCREASES (DECREASES)

DESCRIPTION	AMOUNT	TOTALS
ORDINARY INCOME (LOSS)	203,482.	
INTEREST INCOME	227.	
SCHEDULE K-1 INCOME SUBTOTAL		203,709.
CHARITABLE CONTRIBUTIONS	-86.	
NONDEDUCTIBLE EXPENSES	-463.	
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-549.
NET INCOME (LOSS) PER SCHEDULE K-1		203,160.
CONVERSION TO TAX CAPITAL FOR RLS CAPITAL HOLDINGS LLLP		-3,864,563.
TOTAL OTHER INCREASES OR DECREASES		-3,864,563.

SCHEDULE K-1 ITEM L. PARTNER'S CAPITAL ACCOUNT ANALYSIS

BEGINNING CAPITAL ACCOUNT METHOD USED - TAX BASIS

SHURWEST LLC

86-0707770

SCHEDULE K-1

FOOTNOTES

NOTE: YOUR INCOME/(LOSS) MAY BE SUBJECT TO NET INVESTMENT INCOME TAX. PLEASE CONSULT YOUR TAX ADVISOR.

ELECTRONIC INSTRUCTIONS FOR SCHEDULE K-1 HAVE BEEN PROVIDED AT [HTTPS://WWW.EIDEBAILLY.COM/SERVICES/TAX#TOOLS](https://www.eidebailly.com/services/tax#tools)

THE FOLLOWING INFORMATION IS BEING PROVIDED TO ASSIST WITH THE CALCULATION OF THE INTEREST EXPENSE LIMITATION UNDER IRS CODE SECTION 163(J), IF APPLICABLE. PLEASE CONSULT YOUR TAX ADVISOR.

PARTNER'S SHARE OF ADJUSTED TAXABLE INCOME	220,924.
PARTNER'S SHARE OF BUSINESS INTEREST INCOME	227.

TOTAL ANNUAL GROSS RECEIPTS OF PARTNERSHIP:

2017	1,689,132.
2018	21,112,358.
2019	7,499,558.

A PARTNER'S PERCENTAGE INTEREST IN THE TOTAL GROSS RECEIPTS CAN BE DETERMINED BY REFERRING TO ITEM J OF THE PARTNER'S SCHEDULE K-1 FOR EACH APPLICABLE YEAR.

SECTION 743 REMAINING UNAMORTIZED BASIS	6,247,379.
---	------------

OMB No. 1545-0123

- ▶ ERO must obtain and retain completed Form 8879-PE.
- ▶ Go to www.irs.gov/Form8879PE for the latest information.

For calendar year 2019, or tax year beginning

, 2019, ending

,20

2019

Name of partnership

SHURWEST LLC

Employer identification number	86-0707770
--------------------------------	------------

Part I	Tax Return Information (Whole dollars only)
---------------	--

1	Gross receipts or sales less returns and allowances (Form 1065, line 1c)	1	7,497,900.
2	Gross profit (Form 1065, line 3)	2	7,497,900.
3	Ordinary business income (loss) (Form 1065, line 22)	3	271,858.
4	Net rental real estate income (loss) (Form 1065, Schedule K, line 2)	4	
5	Other net rental income (loss) (Form 1065, Schedule K, line 3c)	5	

Part II Declaration and Signature Authorization of Partner or Member
(Be sure to get a copy of the partnership's return)

Under penalties of perjury, I declare that I am a partner or member of the above partnership and that I have examined a copy of the partnership's 2019 electronic return of partnership income and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the partnership's electronic return of partnership income. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the partnership's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission and **(b)** the reason for any delay in processing the return. I have selected a personal identification number (PIN) as my signature for the partnership's electronic return of partnership income.

Partner or Member's PIN: check one box only

☒ I authorize EIDE BAILLY LLP

to enter my PIN

ERO firm name

Don't enter all zeros

as my signature on the partnership's 2019 electronically filed return of partnership income.

☐ As a partner or member of the partnership, I will enter my PIN as my signature on the partnership's 2019 electronically filed return of partnership income.

Partner or member's signature ►

Title ► **MANAGING MEMBER**

Date 

Part III	Certification and Authentication
-----------------	---

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

Don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed return of partnership income for the partnership indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ►

Date ► 07/13/20

ERO Must Retain This Form - See Instructions
Don't Submit This Form to the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.

Form **8879-PE** (2019)

I HA

Form 7004 (Rev. December 2018) Department of the Treasury Internal Revenue Service	Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns ▶ File a separate application for each return. ▶ Go to www.irs.gov/Form7004 for instructions and the latest information.	OMB No. 1545-0233
Print or Type	Name SHURWEST LLC Number, street, and room or suite no. (If P.O. box, see instructions.) 17550 N PERIMETER DR #300 City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).) SCOTTSDALE, AZ 85255	Identifying number 86-0707770

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns. See instructions.

1 Enter the form code for the return listed below that this application is for 09

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II All Filers Must Complete This Part

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here ☐
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here ☐
 If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.
- 4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here ☐
- 5a The application is for calendar year 2019, or tax year beginning _____, and ending _____
- b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions - attach explanation.)

6 Tentative total tax	6	0.
7 Total payments and credits. See instructions	7	
8 Balance due. Subtract line 7 from line 6. See instructions	8	

LHA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Form 7004 (Rev. 12-2018)

DEPARTMENT OF THE TREASURY
 INTERNAL REVENUE SERVICE CENTER
 OGDEN, UT 84201-0045

EXTENSION GRANTED TO 09/15/20

Form **1065****U.S. Return of Partnership Income**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

For calendar year 2019, or tax year beginning _____, ending _____

▶ Go to www.irs.gov/Form1065 for instructions and the latest information.**2019**

A Principal business activity	Type or Print	Name of partnership	D Employer identification number
INSURANCE		SHURWEST LLC	86-0707770
B Principal product or service		Number, street, and room or suite no. If a P.O. box, see instructions.	E Date business started
SALES		17550 N PERIMETER DR #300	04/30/1992
C Business code number		City or town, state or province, country, and ZIP or foreign postal code	F Total assets
524210		SCOTTSDALE AZ 85255	\$16,517,393.
G Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change (5) <input type="checkbox"/> Amended return			
H Check accounting method: (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶			
I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 3			
J Check if Schedules C and M-3 are attached ▶ <input type="checkbox"/>			
K Check if partnership: (1) <input type="checkbox"/> Aggregated activities for section 465 at-risk purposes (2) <input type="checkbox"/> Grouped activities for section 469 passive activity purposes			

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See instructions for more information.

Income	1 a Gross receipts or sales	1a	7,497,900.	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a			1c 7,497,900.
	2 Cost of goods sold (attach Form 1125-A)			2
	3 Gross profit. Subtract line 2 from line 1c			3 7,497,900.
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)			4
	5 Net farm profit (loss) (attach Schedule F (Form 1040 or 1040-SR))			5
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			6
7 Other income (loss) (attach statement)			7	
8 Total income (loss). Combine lines 3 through 7			8 7,497,900.	
Deductions (see instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9 1,822,186.
	10 Guaranteed payments to partners			10
	11 Repairs and maintenance			11 861.
	12 Bad debts			12
	13 Rent			13 114,111.
	14 Taxes and licenses		SEE STATEMENT 1	14 145,083.
	15 Interest (see instructions)			15 699.
	16 a Depreciation (if required, attach Form 4562)	16a	99,428.	
	b Less depreciation reported on Form 1125-A and elsewhere on return	16b		16c 99,428.
	17 Depletion (Do not deduct oil and gas depletion.)			17
	18 Retirement plans, etc.			18
19 Employee benefit programs			19 128,851.	
20 Other deductions (attach statement)		SEE STATEMENT 2	20 4,914,823.	
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20			21 7,226,042.	
22 Ordinary business income (loss). Subtract line 21 from line 8			22 271,858.	
Tax and Payments	23 Interest due under the look-back method-completed long-term contracts (attach Form 8697)			23
	24 Interest due under the look-back method-income forecast method (attach Form 8866)			24
	25 BBA AAR imputed underpayment (see instructions)			25
	26 Other taxes (see instructions)			26
	27 Total balance due. Add lines 23 through 26			27
	28 Payment (see instructions)			28
	29 Amount owed. If line 28 is smaller than line 27, enter amount owed			29
	30 Overpayment. If line 28 is larger than line 27, enter overpayment			30

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than partner or limited liability company member) is based on all information of which preparer has any knowledge.

▶ Signature of partner or limited liability company member ▶ Date

May the IRS discuss this return with the preparer shown below? See instr. ☒ Yes ☐ No

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	MACKENZIE RENTSCHLER	MACKENZIE RENTSCHLER	07/13/20		P00739720
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶ 2355 E CAMELBACK RD, STE 900			Phone no. 602-381-0381	
	PHOENIX, AZ 85016-9065				

Form 1065 (2019) **SHURWEST LLC**

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Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:				Yes	No
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership				
c <input checked="" type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership				
e <input type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other ▶				
2 At the end of the tax year:					
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership				X	
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership					X
3 At the end of the tax year, did the partnership:					
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below					X
(i) Name of Corporation		(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock	
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below					X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital	
4 Does the partnership satisfy all four of the following conditions?				Yes	No
a The partnership's total receipts for the tax year were less than \$250,000.					
b The partnership's total assets at the end of the tax year were less than \$ 1 million.					
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.					
d The partnership is not filing and is not required to file Schedule M-3					X
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; item F on page 1 of Form 1065; or item L on Schedule K-1.					
5 Is this partnership a publicly traded partnership, as defined in section 469(k)(2)?					X
6 During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?					X
7 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?					X
8 At any time during calendar year 2019, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ▶					X
9 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions					X
10 a Is the partnership making, or had it previously made (and not revoked), a section 754 election?				X	
See instructions for details regarding a section 754 election.					
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions					X

Form 1065 (2019) **SHURWEST LLC**

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Schedule B Other Information (continued)

	Yes	No
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
11 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year)		
12 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
13 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), enter the number of Forms 8858 attached. See instructions		
14 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership		X
15 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return		
16 a Did you make any payments in 2019 that would require you to file Form(s) 1099? See instructions	X	
b If "Yes," did you or will you file required Form(s) 1099?	X	
17 Enter the number of Forms 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return		
18 Enter the number of partners that are foreign governments under section 892		
19 During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		X
20 Was the partnership a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938		X
21 Is the partnership a section 721(c) partnership, as defined in Regulations section 1.721(c)-1T(b)(14)?		X
22 During the tax year, did the partnership pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions If "Yes," enter the total amount of the disallowed deductions		X
23 Did the partnership have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		X
24 Does the partnership satisfy one or more of the following? See instructions a The partnership owns a pass-through entity with current, or prior year carryover, excess business interest expense. b The partnership's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the partnership has business interest. c The partnership is a tax shelter (see instructions) and the partnership has business interest expense. If "Yes" to any, complete and attach Form 8990.		X
25 Is the partnership electing out of the centralized partnership audit regime under section 6221(b)? See instructions If "Yes," the partnership must complete Schedule B-2 (Form 1065). Enter the total from Schedule B-2, Part III, line 3 If "No," complete Designation of Partnership Representative below.		X

Designation of Partnership Representative (see instructions)

Enter below the information for the partnership representative (PR) for the tax year covered by this return.

Name of PR **SHURWEST HOLDING COMPANY, INC.**U.S. address of PR **17550 N. PERIMETER DRIVE, STE. 30
SCOTTSDALE, AZ 85255**U.S. phone number of PR **800-440-1088**If the PR is an entity, name of the designated individual for the PR **JIM MASCHKE**U.S. address of designated individual **17550 N. PERIMETER DRIVE, SUITE 300
SCOTTSDALE, AZ 85255**U.S. phone number of designated individual **800-440-1088**

26 Is the partnership attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 14		X
27 Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership		
28 At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		X

Form **1065** (2019)

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	271,858.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments: a Services 4a b Capital 4b		
	c Total. Add lines 4a and 4b	4c	
	5 Interest income SEE STATEMENT 3	5	1,658.
	6 Dividends and dividend equivalents: a Ordinary dividends	6a	
	b Qualified dividends 6b c Dividend equivalents 6c		
	7 Royalties	7	
8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8		
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10		
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13a Contributions SEE STATEMENT 4	13a	37,148.
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)	
d Other deductions (see instructions) Type ▶	13d	793,024.	
Self-Employment	14a Net earnings (loss) from self-employment	14a	140,007.
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	3,861,419.
Credits	15a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	15c	
	d Other rental real estate credits (see instructions) Type ▶	15d	
	e Other rental credits (see instructions) Type ▶	15e	
	f Other credits (see instructions) Type ▶	15f	
Foreign Transactions	16a Name of country or U.S. possession ▶		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level	16c	
	Foreign gross income sourced at partnership level		
	d Reserved for future use ▶ e Foreign branch category ▶	16e	
	f Passive category ▶ g General category ▶ h Other ▶	16h	
	Deductions allocated and apportioned at partner level		
	i Interest expense ▶ j Other ▶	16j	
	Deductions allocated and apportioned at partnership level to foreign source income		
	k Reserved for future use ▶ l Foreign branch category ▶	16l	
	m Passive category ▶ n General category ▶ o Other ▶	16o	
	p Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16p	
	q Reduction in taxes available for credit (attach statement)	16q	
r Other foreign tax information (attach statement)			
Alternative Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties - gross income	17d	
	e Oil, gas, and geothermal properties - deductions	17e	
	f Other AMT items (attach statement)	17f	
Other Information	18a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses SEE STATEMENT 6	18c	7,369.
	19a Distributions of cash and marketable securities	19a	873,320.
	b Distributions of other property	19b	
	20a Investment income	20a	1,658.
	b Investment expenses	20b	
c Other items and amounts (attach statement) STMT 7			

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16p						1	-556,656.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other	
a General partners							
b Limited partners	114,638.			-671,294.			

Schedule L Balance Sheets per Books

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash		847,397.		413,671.
2a Trade notes and accounts receivable	57,609.		28,819.	
b Less allowance for bad debts		57,609.		28,819.
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach statement)	STATEMENT 8	547,322.		328,036.
7a Loans to partners (or persons related to partners)				
b Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets	1,910,800.		1,992,653.	
b Less accumulated depreciation	744,025.	1,166,775.	1,102,186.	890,467.
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)	14,829,750.		14,829,750.	
b Less accumulated amortization		14,829,750.		14,829,750.
13 Other assets (attach statement)	STATEMENT 9	26,650.		26,650.
14 Total assets		17,475,503.		16,517,393.
Liabilities and Capital				
15 Accounts payable		395,860.		192,176.
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)	STATEMENT 10	636,033.		1,176,593.
18 All nonrecourse loans				
19a Loans from partners (or persons related to partners)				650,000.
b Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)				
21 Partners' capital accounts		16,443,610.		14,498,624.
22 Total liabilities and capital		17,475,503.		16,517,393.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The partnership may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books	-1,071,666.	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16p, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16p (itemize):		a Depreciation \$	
STMT 11 1,069,354.		STMT 12 814,722.	814,722.
a Depreciation \$ 258,733.		8 Add lines 6 and 7	814,722.
b Travel and entertainment \$ 1,645.	1,329,732.	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	-556,656.
5 Add lines 1 through 4	258,066.		

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	16,443,610.	6 Distributions: a Cash	873,320.
2 Capital contributed: a Cash		b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	-1,071,666.	8 Add lines 6 and 7	873,320.
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5	14,498,624.
5 Add lines 1 through 4	15,371,944.		

**SCHEDULE B-1
(Form 1065)**(Rev. August 2019)
Department of the Treasury
Internal Revenue Service**Information on Partners Owning 50% or
More of the Partnership**

▶ Attach to Form 1065.

▶ Go to www.irs.gov/Form1065 for the latest information.

OMB No. 1545-0123

Name of partnership

Employer identification number

SHURWEST LLC

86-0707770

Part I Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2a (Question 3a for 2009 through 2017))

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital
SHURWEST HOLDING COMPANY, INC.		CORPORATION	UNITED STATES	64.67
RLS CAPITAL HOLDINGS LLLP		LLP	UNITED STATES	64.67

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2b (Question 3b for 2009 through 2017))

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

Schedule B-1 (Form 1065) (Rev. 8-2019)

SCHEDULE M-3
(Form 1065)Department of the Treasury
Internal Revenue Service**Net Income (Loss) Reconciliation
for Certain Partnerships**

OMB No. 1545-0123

2019▶ Attach to Form 1065.
▶ Go to www.irs.gov/Form1065 for instructions and the latest information.

Name of partnership

SHURWEST LLC

Employer identification number

86-0707770**This Schedule M-3 is being filed because (check all that apply):**

- A** ☒ The amount of the partnership's total assets at the end of the tax year is equal to \$10 million or more.
- B** ☒ The amount of the partnership's adjusted total assets for the tax year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year **18,462,379.**
- C** ☐ The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year _____.
- D** ☒ An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50% or more in the partnership's capital, profit, or loss on any day during the tax year of the partnership.

Name of Reportable Entity Partner	Identifying Number	Maximum Percentage Owned or Deemed Owned
SHURWEST HOLDING COMPANY, INC	12	64.6700%
RLS CAPITAL HOLDINGS LLLP	913	64.6700%

E ☐ Voluntary Filer.**Part I Financial Information and Net Income (Loss) Reconciliation**

- 1a** Did the partnership file SEC Form 10-K for its income statement period ending with or within this tax year?
☐ Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.
☒ No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.
- b** Did the partnership prepare a certified audited non-tax-basis income statement for that period?
☐ Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.
☒ No. Go to line 1c.
- c** Did the partnership prepare a non-tax-basis income statement for that period?
☒ Yes. Complete lines 2 through 11 with respect to that income statement.
☐ No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records on line 4a.
- 2** Enter the income statement period: Beginning **01/01/2019** Ending **12/31/2019**
- 3a** Has the partnership's income statement been restated for the income statement period on line 2?
☐ Yes. (If "Yes," attach a statement and the amount of each item restated.)
☒ No.
- b** Has the partnership's income statement been restated for any of the five income statement periods immediately preceding the period on line 2?
☐ Yes. (If "Yes," attach a statement and the amount of each item restated.)
☒ No.

4a Worldwide consolidated net income (loss) from income statement source identified in Part I, line 1	4a	-1,071,666.
b Indicate accounting standard used for line 4a (see instructions).		
1 <input type="checkbox"/> GAAP 2 <input type="checkbox"/> IFRS 3 <input type="checkbox"/> Section 704(b)		
4 <input type="checkbox"/> Tax-basis 5 <input checked="" type="checkbox"/> Other (Specify) ▶ BOOKS & RECORDS		
5a Net income from nonincludible foreign entities (attach statement)	5a	()
b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	
6a Net income from nonincludible U.S. entities (attach statement)	6a	()
b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	
7a Net income (loss) of other foreign disregarded entities (attach statement)	7a	
b Net income (loss) of other U.S. disregarded entities (attach statement)	7b	
8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach stmt.)	8	
9 Adjustment to reconcile income statement period to tax year (attach statement)	9	
10 Other adjustments to reconcile to amount on line 11 (attach statement)	10	
11 Net income (loss) per income statement of the partnership. Combine lines 4a through 10	11	-1,071,666.

Note: Part I, line 11, must equal Part II, line 26, column (a), or Schedule M-1, line 1. See instructions.**12** Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or removed on the following lines.

	Total Assets	Total Liabilities
a Included on Part I, line 4	16,517,393.	2,018,769.
b Removed on Part I, line 5		
c Removed on Part I, line 6		
d Included on Part I, line 7		

For Paperwork Reduction Act Notice, see the instructions for your return.

Schedule M-3 (Form 1065) 2019

Form 4562 Department of the Treasury Internal Revenue Service (99) Name(s) shown on return	Depreciation and Amortization (Including Information on Listed Property) OTHER 1 ▶ Attach to your tax return. ▶ Go to www.irs.gov/Form4562 for instructions and the latest information.	OMB No. 1545-0172 2019 Attachment Sequence No. 179 Identifying number 86-0707770
SHURWEST LLC		Business or activity to which this form relates

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	1,020,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	2,550,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2018 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13 Carryover of disallowed deduction to 2020. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)		
14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	81,853.
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)		
Section A		
17 MACRS deductions for assets placed in service in tax years beginning before 2019	17	17,575.
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2019 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2019 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year	/		30 yrs.	MM	S/L	
d 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)		
21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	99,428.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form 4562 (2019)

SHURWEST LLC

86-0707770 Page 2

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)****24a** Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use **25****26** Property used more than 50% in a qualified business use:

	:	:	%					
	:	:	%					
	:	:	%					

27 Property used 50% or less in a qualified business use:

	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 **28****29** Add amounts in column (i), line 26. Enter here and on line 7, page 1 **29****Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle
30 Total business/investment miles driven during the year (don't include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their EmployeesAnswer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **aren't** more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
-----------------------------	------------------------------------	------------------------------	------------------------	---	--------------------------------------

42 Amortization of costs that begins during your 2019 tax year:

	:	:			
	:	:			

43 Amortization of costs that began before your 2019 tax year **43** 793,024.**44 Total.** Add amounts in column (f). See the instructions for where to report **44** 793,024.

Worksheet for Figuring Net Earnings (Loss) From Self-Employment

Name of partnership SHURWEST LLC		Employer identification number 86-0707770	
1 a Ordinary income (loss) (Schedule K, line 1)	1a	271,858.	
b Net income (loss) from CERTAIN rental real estate activities	1b		
c Net income (loss) from other rental activities (Schedule K, line 3c)	1c		
d Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	1d		
e Other additions	1e		
f Combine lines 1a through 1e	1f	271,858.	
2 a Net gain from Form 4797, Part II, line 17, included on line 1a above	2a		
b Other subtractions	2b		
c Add lines 2a and 2b	2c		
3 a Subtract line 2c from line 1f. If line 1f is a loss, increase the loss on line 1f by the amount on line 2c	3a	271,858.	
b Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	3b	131,851.	
c Subtract line 3b from line 3a			3c 140,007.
4 a Guaranteed payments to partners (Schedule K, line 4a) derived from a trade or business as defined in section 1402(c)	4a		
b Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	4b		
c Subtract line 4b from line 4a			4c
5 Net earnings (loss) from self-employment. Combine lines 3c and 4c. Enter here and on Schedule K, line 14a			5 140,007.

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

Shurwest LLC
17550 N Perimeter Dr #300
Scottsdale, AZ 85255

Employer Identification Number: 86-0707770

For the Year Ending December 31, 2019

Shurwest LLC is making the de minimis safe harbor election under
Reg. Sec. 1.263(a)-1(f).

CLIENT COPY

SHURWEST LLC

86-0707770

FORM 1065

TAX EXPENSE

STATEMENT 1

DESCRIPTION

AMOUNT

CALIFORNIA TAXES - BASED ON INCOME	4,100.
NEW JERSEY TAXES - BASED ON INCOME	18.
NORTH CAROLINA TAXES - BASED ON INCOME	100.
OHIO TAXES - BASED ON INCOME	2,822.
OREGON TAXES - BASED ON INCOME	300.
PAYROLL TAXES	137,740.
PENNSYLVANIA TAXES - BASED ON INCOME	3.
TOTAL TO FORM 1065, LINE 14	145,083.

FORM 1065

OTHER DEDUCTIONS

STATEMENT 2

DESCRIPTION

AMOUNT

ADVERTISING	110,143.
AGENT EXPENSES	1,651,744.
AMORT. EXP. ON SCH K LINE 13V	-793,024.
AMORTIZATION EXPENSE	793,024.
BANK FEES	998.
COMMUNICATIONS EXPENSE	11,676.
COMPUTER & EQUIPMENT	30,322.
CRM	184,377.
DUES & SUBSCRIPTIONS	58,007.
EMPLOYEE INCENTIVE PROGRAMS	475.
INSURANCE	9,859.
LEASED EMPLOYEES	132,166.
LEGAL & OTHER PROFESSIONAL FEES	1,762,844.
MANAGEMENT FEES	2,781.
MEALS	1,645.
MEALS - 100%	6,139.
OFFICE EXPENSES	43,076.
PAYROLL EXPENSES	3,554.
POSTAGE & DELIVERY	19,057.
PRINTING & REPRODUCTION	25,048.
PROVISION FOR ADVISOR ROLLUPS	650,000.
RECRUITING & TRAINING	203,373.
TRAVEL	7,539.
TOTAL TO FORM 1065, LINE 20	4,914,823.

SHURWEST LLC

86-0707770

SCHEDULE K	INTEREST INCOME	STATEMENT 3
DESCRIPTION	U.S. BONDS	OTHER
INTEREST INCOME		1,658.
TOTAL TO SCHEDULE K, LINE 5		1,658.

SCHEDULE K	CHARITABLE CONTRIBUTIONS	STATEMENT 4
DESCRIPTION	TYPE	AMOUNT
CHARITABLE CONTRIBUTIONS	CASH (60%)	37,148.
TOTALS TO SCHEDULE K, LINE 13A		37,148.

SCHEDULE K	OTHER DEDUCTIONS	STATEMENT 5
DESCRIPTION		AMOUNT
SECTION 743(B) NEGATIVE ADJUSTMENTS		793,024.
TOTAL INCLUDED IN SCHEDULE K, LINE 13D		793,024.

SCHEDULE K	NONDEDUCTIBLE EXPENSE	STATEMENT 6
DESCRIPTION		AMOUNT
ENTERTAINMENT		861.
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES		1,645.
PENALTIES		4,863.
TOTAL TO SCHEDULE K, LINE 18C		7,369.

SCHEDULE K	OTHER ITEMS	STATEMENT 7
DESCRIPTION		AMOUNT
SECTION 199A - ORDINARY INCOME (LOSS)		271,858.
SECTION 199A W-2 WAGES		1,541,099.
SECTION 199A UNADJUSTED BASIS OF ASSETS		1,987,075.

SHURWEST LLC

86-0707770

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 8
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
ANNUITY INCOME RECEIVABLE	178,798.	84,513.
DUE FROM EMPLOYEES	24,204.	11,768.
DUE FROM RELATED PARTIES	7,701.	13,289.
LIFE INSURANCE INCOME RECEIVABLE	363.	7,156.
OTHER RECEIVABLES	77,423.	91,423.
PARETO RECEIVABLE	100,000.	100,000.
PREPAID EXPENSES	158,683.	19,887.
UNDEPOSITED FUNDS	150.	0.
TOTAL TO SCHEDULE L, LINE 6	547,322.	328,036.

SCHEDULE L	OTHER ASSETS	STATEMENT 9
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
SECURITY DEPOSITS	26,650.	26,650.
TOTAL TO SCHEDULE L, LINE 13	26,650.	26,650.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 10
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED EXPENSES	41,593.	48,951.
ACCRUED INTEREST	0.	699.
ACCRUED PAYROLL	503,982.	0.
ACCRUED RENT	90,021.	59,667.
PROVISION FOR ADVISOR ROLL UPS	0.	1,063,630.
SALES TAX PAYABLE	437.	9.
STATE TAX PAYABLE	0.	3,637.
TOTAL TO SCHEDULE L, LINE 17	636,033.	1,176,593.

SHURWEST LLC

86-0707770

SCHEDULE M-1 EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN RETURN STATEMENT 11

DESCRIPTION	AMOUNT
ENTERTAINMENT	861.
PENALTIES	4,863.
PROVISION FOR ADVISOR ROLLUPS	1,063,630.
TOTAL TO SCHEDULE M-1, LINE 4	1,069,354.

SCHEDULE M-1 DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOKS STATEMENT 12

DESCRIPTION	AMOUNT
RENT EXPENSE	21,698.
AMORTIZATION	793,024.
TOTAL TO SCHEDULE M-1, LINE 7	814,722.

651119

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service**2019**

For calendar year 2019, or tax year

beginning

ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number

86-0707770

B Partnership's name, address, city, state, and ZIP codeSHURWEST LLC
17550 N PERIMETER DR #300
SCOTTSDALE, AZ 85255**C** IRS Center where partnership filed return ▶

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner****E** Partner's SSN or TIN (Do not use TIN of a disregarded entity. See inst.)**F** Name, address, city, state, and ZIP code for partner entered in E. See instructions.KT EQUITY PARTNERS III, LLC
2950 SW MCCLURE ROAD
TOPEKA, KS 66614**G** ☐ General partner or LLC member-manager☒ Limited partner or other LLC member**H1** ☒ Domestic partner☐ Foreign partner**H2** ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN _____ Name _____

I1 What type of entity is this partner? **PARTNERSHIP****I2** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐**J** Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	25.0000000 %	25.0000000 %
Loss	25.0000000 %	25.0000000 %
Capital	24.1913405 %	24.1913405 %

Check if decrease is due to sale or exchange of partnership interest ☐**K** Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 257,973.	\$ 60,284.
Qualified nonrecourse financing	\$	\$ 0.
Recourse	\$ 0.	\$ 0.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.**L Partner's Capital Account Analysis****SEE STATEMENT**

Beginning capital account	\$ 3,977,926.
Capital contributed during the year	\$
Current year net income (loss)	\$ -216,907.
Other increase (decrease) (attach explanation)	\$ -51,008.
Withdrawals & distributions	\$ (217,563.)
Ending capital account	\$ 3,492,448.

M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No If "Yes," attach statement. See instructions.**N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**

Beginning	\$
Ending	\$

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss)	15 Credits
67,965.	
2 Net rental real estate income (loss)	16 Foreign transactions
3 Other net rental income (loss)	
4a Guaranteed payments for services	
4b Guaranteed payments for capital	
4c Total guaranteed payments	
5 Interest income	17 Alternative min tax (AMT) items
415.	
6a Ordinary dividends	18 Tax-exempt income and nondeductible expenses
	C* STMT
6b Qualified dividends	
6c Dividend equivalents	
7 Royalties	19 Distributions
	A 217,563.
8 Net short-term capital gain (loss)	20 Other information
9a Net long-term capital gain (loss)	A 415.
	Z * STMT
9b Collectibles (28%) gain (loss)	
9c Unrecaptured section 1250 gain	
10 Net section 1231 gain (loss)	
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
A 9,287.	
V 276,000.	
14 Self-employment earnings (loss)	
A 67,965.	
C 1,874,475.	
21 <input type="checkbox"/> More than one activity for at-risk purposes*	
22 <input type="checkbox"/> More than one activity for passive activity purposes*	

*See attached statement for additional information.

For IRS Use Only

SHURWEST LLC

86-0707770

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	411.
ENTERTAINMENT PENALTIES		215.
		1,216.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		1,842.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
TRADE OR BUSINESS -	
ORDINARY INCOME (LOSS)	67,965.
SELF-EMPLOYMENT EARNINGS (LOSS)	67,965.
W-2 WAGES	385,275.
UNADJUSTED BASIS OF ASSETS	496,769.

SHURWEST LLC

86-0707770

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 CURRENT YEAR NET INCOME (LOSS) AND OTHER INCREASES(DECREASES)		
DESCRIPTION	AMOUNT	TOTALS
ORDINARY INCOME (LOSS)	67,965.	
INTEREST INCOME	415.	
SCHEDULE K-1 INCOME SUBTOTAL		68,380.
CHARITABLE CONTRIBUTIONS	-9,287.	
OTHER DEDUCTIONS	-276,000.	
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-285,287.
NET INCOME (LOSS) PER SCHEDULE K-1		-216,907.
AMORTIZATION ON RETURN AND NOT ON BOOKS		198,256.
SECTION 754 AMORTIZATION ON RETURN AND NOT ON BOOKS		77,744.
DEPRECIATION ON BOOKS AND NOT ON RETURN		-64,683.
NONDEDUCTIBLE EXPENSES		-1,842.
PROVISION FOR ADVISOR ROLLUPS		-265,908.
RENT EXPENSE		5,425.
TOTAL OTHER INCREASES OR DECREASES		-51,008.

SCHEDULE K-1 ITEM L. PARTNER'S CAPITAL ACCOUNT ANALYSIS

TAXPAYER BOOKS AND RECORDS

SHURWEST LLC

86-0707770

SCHEDULE K-1

FOOTNOTES

THE FOLLOWING INFORMATION IS BEING PROVIDED TO ASSIST WITH THE CALCULATION OF THE INTEREST EXPENSE LIMITATION UNDER IRS CODE SECTION 163(J), IF APPLICABLE. PLEASE CONSULT YOUR TAX ADVISOR.

PARTNER'S SHARE OF ADJUSTED TAXABLE INCOME	84,534.
PARTNER'S SHARE OF BUSINESS INTEREST INCOME	415.
PARTNER'S SHARE OF BUSINESS INTEREST EXPENSE	175.

TOTAL ANNUAL GROSS RECEIPTS OF PARTNERSHIP:

2016	15,780,798.
2017	16,839,132.
2018	21,112,358.

A PARTNER'S PERCENTAGE INTEREST IN THE TOTAL GROSS RECEIPTS CAN BE DETERMINED BY REFERRING TO ITEM J OF THE PARTNER'S SCHEDULE K-1 FOR EACH APPLICABLE YEAR.

INCLUDED IN CASH DISTRIBUTIONS - SCHEDULE L PAGE 1 OF FORM K-1 IS NON-RESIDENT STATE WITHHOLDING PAID TO WISCONSIN ON YOUR BEHALF FOR THE FOLLOWING YEARS:

2018	765.
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INCLUDED IN CASH DISTRIBUTIONS - SCHEDULE L PAGE 1 OF FORM K-1 IS NON-RESIDENT STATE WITHHOLDING PAID TO NEW JERSEY ON YOUR BEHALF FOR THE FOLLOWING YEARS:

2018	2,524.
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651119

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service**2019**

For calendar year 2019, or tax year

beginning

ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number

86-0707770

B Partnership's name, address, city, state, and ZIP codeSHURWEST LLC
17550 N PERIMETER DR #300
SCOTTSDALE, AZ 85255**C** IRS Center where partnership filed return ▶

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner****E** Partner's SSN or TIN (Do not use TIN of a disregarded entity. See inst.)**F** Name, address, city, state, and ZIP code for partner entered in E. See instructions.SHURWEST HOLDING COMPANY, INC.
17550 N. PERIMETER DRIVE, STE. 300
SCOTTSDALE, AZ 85255**G** ☐ General partner or LLC member-manager☒ Limited partner or other LLC member**H1** ☒ Domestic partner☐ Foreign partner**H2** ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN _____ Name _____

I1 What type of entity is this partner? CORPORATION**I2** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐**J** Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	48.5000000 %	48.5000000 %
Loss	48.5000000 %	48.5000000 %
Capital	48.4946453 %	48.4946453 %

Check if decrease is due to sale or exchange of partnership interest ☐**K** Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 500,468.	\$ 116,951.
Qualified nonrecourse financing	\$	\$ 0.
Recourse	\$ 0.	\$ 0.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.**L Partner's Capital Account Analysis****SEE STATEMENT**

Beginning capital account	\$ 7,974,275.
Capital contributed during the year	\$
Current year net income (loss)	\$ 114,638.
Other increase (decrease) (attach explanation)	\$ -634,397.
Withdrawals & distributions	\$ (424,404.)
Ending capital account	\$ 7,030,112.

M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No If "Yes," attach statement. See instructions.**N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**

Beginning	\$
Ending	\$

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss)	15 Credits
131,851.	
2 Net rental real estate income (loss)	16 Foreign transactions
3 Other net rental income (loss)	
4a Guaranteed payments for services	
4b Guaranteed payments for capital	
4c Total guaranteed payments	
5 Interest income	17 Alternative min tax (AMT) items
804.	
6a Ordinary dividends	18 Tax-exempt income and nondeductible expenses
	C* STMT
6b Qualified dividends	
6c Dividend equivalents	
7 Royalties	19 Distributions
	A 424,404.
8 Net short-term capital gain (loss)	20 Other information
	A 804.
9a Net long-term capital gain (loss)	Z * STMT
9b Collectibles (28%) gain (loss)	
9c Unrecaptured section 1250 gain	
10 Net section 1231 gain (loss)	
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
A 18,017.	
14 Self-employment earnings (loss)	
21 <input type="checkbox"/> More than one activity for at-risk purposes*	
22 <input type="checkbox"/> More than one activity for passive activity purposes*	

*See attached statement for additional information.

For IRS Use Only

SHURWEST LLC

86-0707770

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	798.
ENTERTAINMENT PENALTIES		418.
		2,358.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		3,574.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
TRADE OR BUSINESS -	
ORDINARY INCOME (LOSS)	131,851.
W-2 WAGES	747,433.
UNADJUSTED BASIS OF ASSETS	963,731.

SHURWEST LLC

86-0707770

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1		CURRENT YEAR NET INCOME (LOSS) AND OTHER INCREASES(DECREASES)	
DESCRIPTION	AMOUNT	TOTALS	
ORDINARY INCOME (LOSS)	131,851.		
INTEREST INCOME	804.		
SCHEDULE K-1 INCOME SUBTOTAL		132,655.	
CHARITABLE CONTRIBUTIONS	-18,017.		
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-18,017.	
NET INCOME (LOSS) PER SCHEDULE K-1		114,638.	
AMORTIZATION ON RETURN AND NOT ON BOOKS		384,617.	
SECTION 754 AMORTIZATION ON RETURN AND NOT ON BOOKS		-384,617.	
DEPRECIATION ON BOOKS AND NOT ON RETURN		-125,486.	
NONDEDUCTIBLE EXPENSES		-3,574.	
PROVISION FOR ADVISOR ROLLUPS		-515,860.	
RENT EXPENSE		10,523.	
TOTAL OTHER INCREASES OR DECREASES		-634,397.	

SCHEDULE K-1 ITEM L. PARTNER'S CAPITAL ACCOUNT ANALYSIS

TAXPAYER BOOKS AND RECORDS

SHURWEST LLC

86-0707770

SCHEDULE K-1

FOOTNOTES

THE FOLLOWING INFORMATION IS BEING PROVIDED TO ASSIST WITH THE CALCULATION OF THE INTEREST EXPENSE LIMITATION UNDER IRS CODE SECTION 163(J), IF APPLICABLE. PLEASE CONSULT YOUR TAX ADVISOR.

PARTNER'S SHARE OF ADJUSTED TAXABLE INCOME	163,996.
PARTNER'S SHARE OF BUSINESS INTEREST INCOME	804.
PARTNER'S SHARE OF BUSINESS INTEREST EXPENSE	339.

TOTAL ANNUAL GROSS RECEIPTS OF PARTNERSHIP:

2016	15,780,798.
2017	16,839,132.
2018	21,112,358.

A PARTNER'S PERCENTAGE INTEREST IN THE TOTAL GROSS RECEIPTS CAN BE DETERMINED BY REFERRING TO ITEM J OF THE PARTNER'S SCHEDULE K-1 FOR EACH APPLICABLE YEAR.

INCLUDED IN CASH DISTRIBUTIONS - SCHEDULE L PAGE 1 OF FORM K-1 IS NON-RESIDENT STATE WITHHOLDING PAID TO WISCONSIN ON YOUR BEHALF FOR THE FOLLOWING YEARS:

2018	2,948.
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INCLUDED IN CASH DISTRIBUTIONS - SCHEDULE L PAGE 1 OF FORM K-1 IS NON-RESIDENT STATE WITHHOLDING PAID TO NEW JERSEY ON YOUR BEHALF FOR THE FOLLOWING YEARS:

2018	5,765.
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651119

**Schedule K-1
(Form 1065)**

Department of the Treasury
Internal Revenue Service

2019

For calendar year 2019, or tax year

beginning ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
86-0707770

B Partnership's name, address, city, state, and ZIP code

SHURWEST LLC
17550 N PERIMETER DR #300
SCOTTSDALE, AZ 85255

C IRS Center where partnership filed return ▶
E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See inst.)
[REDACTED]

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.

RLS CAPITAL HOLDINGS LLLP
16767 N. PERIMETER DRIVE, STE. 320
SCOTTSDALE, AZ 85260

G ☐ General partner or LLC member-manager ☒ Limited partner or other LLC member

H1 ☒ Domestic partner ☐ Foreign partner

H2 ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN _____ Name _____

I1 What type of entity is this partner? **PARTNERSHIP**

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

J Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	26.5000000 %	26.5000000 %
Loss	26.5000000 %	26.5000000 %
Capital	27.3140142 %	27.3140142 %

Check if decrease is due to sale or exchange of partnership interest ☐

K Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 273,452.	\$ 63,901.
Qualified nonrecourse financing	\$	\$ 0.
Recourse	\$ 0.	\$ 650,699.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.

L Partner's Capital Account Analysis

SEE STATEMENT

Beginning capital account	\$ 4,491,409.
Capital contributed during the year	\$
Current year net income (loss)	\$ -454,387.
Other increase (decrease) (attach explanation)	\$ 170,395.
Withdrawals & distributions	\$ (231,353.)
Ending capital account	\$ 3,976,064.

M Did the partner contribute property with a built-in gain or loss?

☐ Yes ☒ No If "Yes," attach statement. See instructions.

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)

Beginning	\$
Ending	\$

☐ Final K-1

☐ Amended K-1

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss) 72,042.	15 Credits
2 Net rental real estate income (loss)	16 Foreign transactions
3 Other net rental income (loss)	
4a Guaranteed payments for services	
4b Guaranteed payments for capital	
4c Total guaranteed payments	
5 Interest income 439.	17 Alternative min tax (AMT) items
6a Ordinary dividends	
6b Qualified dividends	18 Tax-exempt income and nondeductible expenses
6c Dividend equivalents	C* STMT
7 Royalties	19 Distributions
8 Net short-term capital gain (loss)	A 231,353.
9a Net long-term capital gain (loss)	20 Other information
9b Collectibles (28%) gain (loss)	A 439.
9c Unrecaptured section 1250 gain	Z* STMT
10 Net section 1231 gain (loss)	
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
A 9,844.	
V 517,024.	
14 Self-employment earnings (loss)	
A 72,042.	
C 1,986,944.	

21 ☐ More than one activity for at-risk purposes*

22 ☐ More than one activity for passive activity purposes*

*See attached statement for additional information.

For IRS Use Only

SHURWEST LLC

86-0707770

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	436.
ENTERTAINMENT PENALTIES		228.
		1,289.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		1,953.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
TRADE OR BUSINESS -	
ORDINARY INCOME (LOSS)	72,042.
SELF-EMPLOYMENT EARNINGS (LOSS)	72,042.
W-2 WAGES	408,391.
UNADJUSTED BASIS OF ASSETS	526,575.

SHURWEST LLC

86-0707770

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 CURRENT YEAR NET INCOME (LOSS) AND OTHER INCREASES(DECREASES)		
DESCRIPTION	AMOUNT	TOTALS
ORDINARY INCOME (LOSS)	72,042.	
INTEREST INCOME	439.	
SCHEDULE K-1 INCOME SUBTOTAL		72,481.
CHARITABLE CONTRIBUTIONS	-9,844.	
OTHER DEDUCTIONS	-517,024.	
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-526,868.
NET INCOME (LOSS) PER SCHEDULE K-1		-454,387.
AMORTIZATION ON RETURN AND NOT ON BOOKS		210,151.
SECTION 754 AMORTIZATION ON RETURN AND NOT ON BOOKS		306,873.
DEPRECIATION ON BOOKS AND NOT ON RETURN		-68,564.
NONDEDUCTIBLE EXPENSES		-1,953.
PROVISION FOR ADVISOR ROLLUPS		-281,862.
RENT EXPENSE		5,750.
TOTAL OTHER INCREASES OR DECREASES		170,395.

SCHEDULE K-1 ITEM L. PARTNER'S CAPITAL ACCOUNT ANALYSIS

TAXPAYER BOOKS AND RECORDS

SHURWEST LLC

86-0707770

SCHEDULE K-1

FOOTNOTES

THE FOLLOWING INFORMATION IS BEING PROVIDED TO ASSIST WITH THE CALCULATION OF THE INTEREST EXPENSE LIMITATION UNDER IRS CODE SECTION 163(J), IF APPLICABLE. PLEASE CONSULT YOUR TAX ADVISOR.

PARTNER'S SHARE OF ADJUSTED TAXABLE INCOME	89,606.
PARTNER'S SHARE OF BUSINESS INTEREST INCOME	439.
PARTNER'S SHARE OF BUSINESS INTEREST EXPENSE	185.

TOTAL ANNUAL GROSS RECEIPTS OF PARTNERSHIP:

2016	15,780,798.
2017	16,839,132.
2018	21,112,358.

A PARTNER'S PERCENTAGE INTEREST IN THE TOTAL GROSS RECEIPTS CAN BE DETERMINED BY REFERRING TO ITEM J OF THE PARTNER'S SCHEDULE K-1 FOR EACH APPLICABLE YEAR.

INCLUDED IN CASH DISTRIBUTIONS - SCHEDULE L PAGE 1 OF FORM K-1 IS NON-RESIDENT STATE WITHHOLDING PAID TO WISCONSIN ON YOUR BEHALF FOR THE FOLLOWING YEARS:

2018	1,279.
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INCLUDED IN CASH DISTRIBUTIONS - SCHEDULE L PAGE 1 OF FORM K-1 IS NON-RESIDENT STATE WITHHOLDING PAID TO NEW JERSEY ON YOUR BEHALF FOR THE FOLLOWING YEARS:

2018	2,944.
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